STEELREEF

2025 Sustainability Update

Built on performance.
Focused on the long-term.



Land Acknowledgment



Steel Reef pays respect to the traditional lands where our operations are located. We acknowledge that our work spans across many Lands, where histories, cultures and traditions of Indigenous Peoples are embedded across North America. We recognize the Land and Water, and the benefits it provides all of us, and are grateful for generations past, the Traditional Knowledge Keepers and Elders who are with us today, and future generations who will continue to inspire and share their homeland with us.

About This Report

This update includes information related to Steel Reef's ESG goals and sustainability-related achievements, activities, commitments and plans, as well as statements about the environmental impacts and climate-related effects of our business activities. This information is prepared and disclosed in accordance with currently applicable law, standards and best practices and, where applicable, has been verified by third-party entities. Such disclosures are accurate as at the date of publication, but include forward-looking information that is based on a number of assumptions and is subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those contained within our sustainability and ESG disclosures. We remain committed to providing focused, transparent and meaningful updates.

Table of Contents



03

Overview

Our Business

Commitments in Action

Message from the President & CEO

Our Highlights

10

Environmental Impact & Progress

Our Progress & Projects

15

People & Partners

Employee Attraction, Development and Engagement

Community Impact + Partners

19

Operational Foundations & Performance

Safety

Asset Integrity

Strategy & Governance

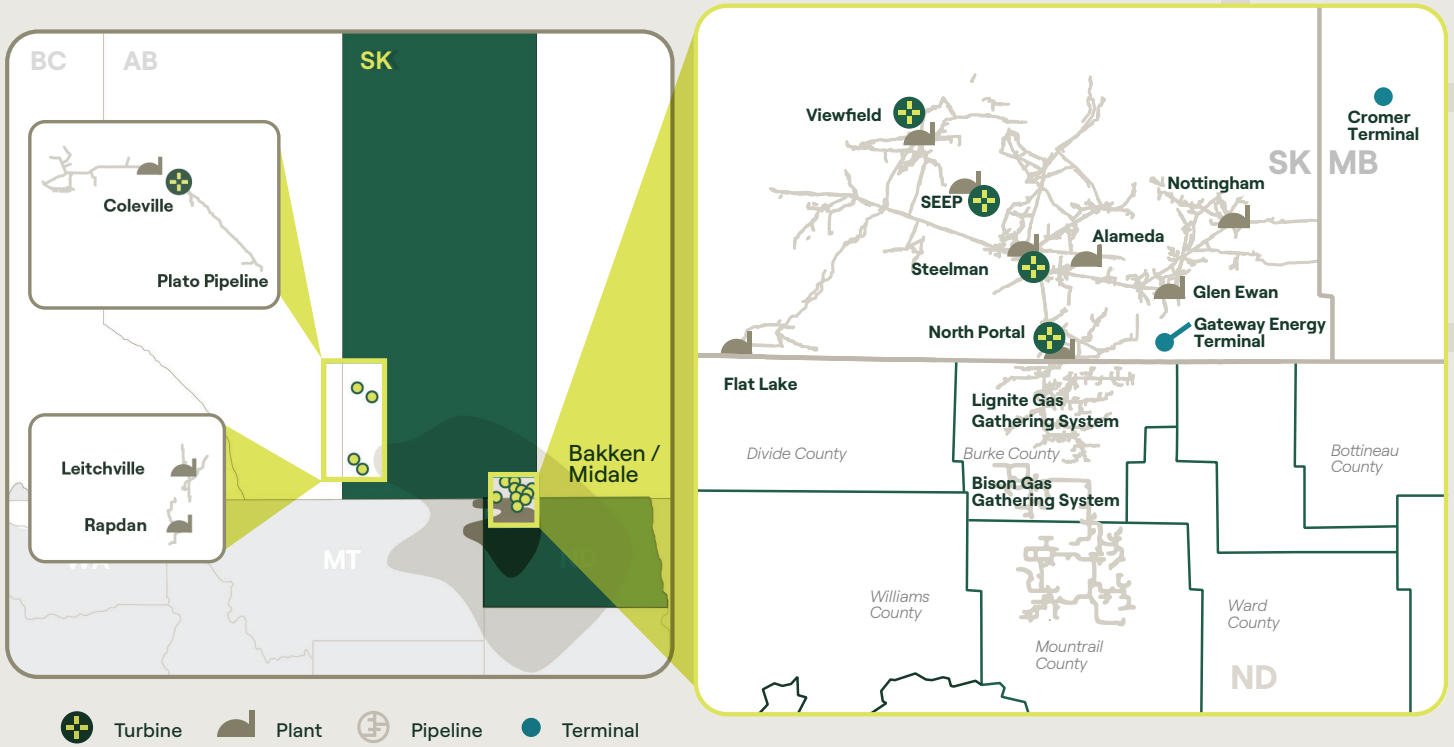
Overview | Our Business

Our Assets

- Extensive network
- Cross-border advantage
- Strong producer netback

Steel Reef is a North American energy infrastructure company with a cross-border platform designed to turn practical energy challenges into long-term value.

Through flare gas capture, hydrocarbon management and power solutions, we help recover resources, reduce emissions and support reliable energy development across the regions where we operate.



At a Glance

By The Numbers

~C$1.3B
total capital invested

~220
employees
in Alberta, Saskatchewan, North Dakota, and other U.S. locations

140MM
captured flare gas per day

11
facilities

~2,900km
of pipelines
in Saskatchewan and North Dakota

29MW
installed and operational power gen capacity

EMPLOYEE VOICE

Our cross-border network gives us options. It helps us move energy where it is needed, serve customers better and create value from gas that might otherwise be wasted.

Kristi Ronald, Manager, Corporate Development



Steel Reef Strategic Plan Update: Current Status

Our Impact



Utility-Grade Infrastructure

The foundations for reliable energy systems that power communities and industries



Recover Wasted Energy

Turning abundant and wasted energy into value by transforming flare gas into clean, productive energy



Low Carbon Energy Solutions

Pairing proven technology with innovative deployment to power a more efficient energy system

Built for long-term performance

Steel Reef's strategic plan is focused on strengthening the infrastructure, commercial relationships and operating capabilities required to support reliable performance and disciplined growth.

Disciplined investment

Investment decisions are assessed against clear commercial, operational and financial criteria, with capital directed toward opportunities that complement Steel Reef's existing capabilities and infrastructure.

Durable commercial foundation

Long-term agreements and established customer relationships provide greater visibility while supporting continued investment in the energy systems communities and industry rely on.

Infrastructure positioned for changing needs

Steel Reef continues to invest in infrastructure that can respond to evolving customer requirements, market conditions and demand for practical energy solutions.

Growth grounded in experience

Advanced geology, strong commercial relationships and disciplined execution support resilient performance and the continued development of Steel Reef's infrastructure platform.



Steel Reef signed Power Purchase Agreements through 2049 providing a sustainable power solution with its emissions-to-energy practice



Our advantaged geology, strong commercial relationships and disciplined framework supported resilient performance and continued growth through changing market conditions.

Commitments in Action

Our sustainability approach is aligned with Steel Reef's corporate goals, focusing our efforts on safe and reliable operations, responsible growth and long-term value creation across our North American platform.



PLATFORM OPTIMIZATION

Asset utilization, reliability, cost discipline and system efficiency.

- **Maintain** a strong safety culture focused on reducing risk and supporting safe, reliable operations
- **Continue** to target a Total Recordable Incident Frequency rate of less than **0.50**
- **Work** toward **zero** Tier 1 Process Safety Incidents across our facilities
- **Work** toward **zero** significant pipeline failures across our operated network
- **Improve** operational efficiency and emissions performance **through disciplined asset management, reliability and better use of existing infrastructure**



PURPOSEFUL GROWTH

Power generation, market access, hydrocarbon management and new ventures.

- **Engage responsibly and ethically** with business partners, communities, Indigenous groups, landowners, regulators and other stakeholders
- **Build long-term relationships** through transparent communication, practical collaboration and mutual respect
- **Support community wellbeing** through local investment, partnerships and employee involvement
- **Strengthen an accountable, empowered and improvement-focused culture** across our corporate and field teams



LONG-TERM ADVANTAGE

Cross-border optionality, contract durability and practical energy solutions.

- **Strengthen** risk management, compliance and governance practices to protect the integrity of our assets and operations
- **Advance** practical infrastructure solutions that improve resource recovery, reduce emissions and support reliable energy development
- **Pursue disciplined** growth opportunities that enhance the resilience and value of our North American platform
- **Protect stakeholder trust** through cybersecurity, data privacy and responsible technology governance

2025

Power Purchase Agreement (PPA) work underway at our Coleville facility



EMPLOYEE VOICE

"At Steel Reef, environmental progress is not a parallel effort. It is a direct result of the infrastructure we build, operate and continue to expand."

Gary Bassi, Environmental Emissions Analyst

Message from the President + CEO

2025 was a year of continued focus for Steel Reef as we advanced the work that sits at the center of our strategy: capturing underutilized gas, strengthening our infrastructure platform and developing practical natural gas and power solutions for customers and communities.

At Steel Reef, sustainability is not a side conversation. It is part of how we build the business, how we serve customers and how we create long-term value. We were built around solving a practical problem: capturing and commercializing gas that might otherwise be flared or underutilized, and turning it into useful energy. That remains a defining part of who we are. It is good business, and it delivers real environmental value.

What sets Steel Reef apart is the platform. We operate an integrated system across Saskatchewan and North Dakota with capabilities that span gathering, processing, storage, transportation and market access. That connectivity gives customers options. It gives the business resilience and it gives us multiple ways to create value as market conditions change.

We have always taken a practical view of sustainability. For us, it is not about slogans or trying to fit the business into someone else's narrative. It is about building and operating infrastructure that reduces waste, improves efficiency and makes the broader energy system work better. When we improve connectivity, increase utilization or help customers access markets more effectively, that is sustainability in action.

That mindset continued to shape our progress over the past year. We advanced customer-backed investments, expanded connectivity across the network, increased cross-border capacity, renewed



"We have a strong foundation, a disciplined team and a business built around solving real infrastructure problems."

SCOTT SOUTHWARD
President & Chief Executive Officer

important customer relationships and moved forward projects that strengthen the platform. These are disciplined steps and they matter. They improve flexibility, reinforce the durability of our commercial base and make the system more useful over time.

We are also operating in a market that is changing quickly. Power demand is growing. Industrial activity is evolving. AI, data centres and electrification are increasing the need for reliable energy infrastructure. A lot of the attention goes to the technology side of that story, but none of it works without physical infrastructure underneath it. That is where Steel Reef has real strength. We own and operate real assets, we understand reliability and we know how to execute.

Our approach to growth is straightforward. First, make the platform better. Improve utilization. Increase connectivity. Deploy capital where it strengthens the system and expands what we can do for customers. We are not interested in growth for the sake of growth. We are focused on opportunities that fit our network and create durable value.

What gives me confidence is that the fundamentals are moving in our direction. Reliability matters more. Flexibility matters more. Practical energy solutions matter more. Those are not abstract themes for Steel Reef. They are the areas where we already have capability, capacity and experience.

We have a strong foundation, a disciplined team and a business built around solving real infrastructure problems. Our job is to keep building on that foundation in a way that is useful to customers and durable over the long term. That is how we think about sustainability at Steel Reef, and it is how we intend to keep creating value.

SCOTT SOUTHWARD
President & Chief Executive Officer



Our Focus Areas

- **Safe operations**
- **Disciplined growth**
- **Reliable energy**
- **Emissions-to-energy solutions**

Our Highlights

Emission Intensity

Scope 1

0.0327

tonnes CO_2e/BOE

Scope 2

0.0031

tonnes CO_2e/BOE



60%

employees involved in ERP drills.



1,138

health and safety training hours

0.94

Total Recordable Injury Frequency

(12 month rolling average)

0 significant pipeline failures

Ongoing proactive pipeline inspection program resulting in no significant reportable pipeline incidents

Average facility reliability performance of

98%

Contributed approximately

$170,000

70

community-based organizations supported

Environmental Impact Progress

Environmental Impact. By Design.

At Steel Reef, environmental performance is created through the infrastructure we own and operate.

Steel Reef's environmental approach is foundational to its business model. Our infrastructure captures associated gas that would otherwise be flared and repurposes it into useful energy products, including natural gas, NGLs and power.

2025 Highlights

Scope 1 and 2 emission intensity

0.0358

tonnes CO_2e/BOE

Scope 1 emissions

376,589

tonnes CO_2e/BOE

Scope 2 emissions

36,064

tonnes CO_2e/BOE

RELEVANT SDGS



7% lower than 2024

Operational improvements reduced Scope 1 and 2 emissions



Our Progress + Projects

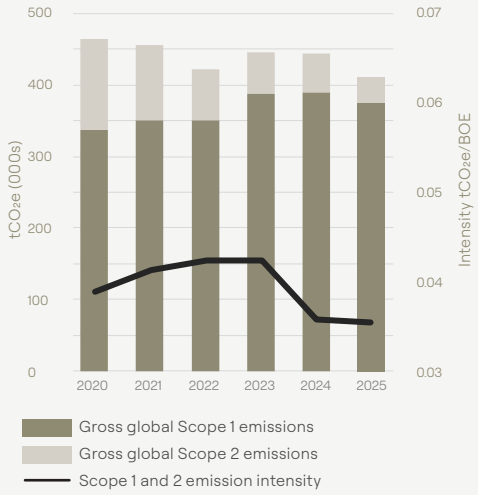
Steel Reef is advancing measurable environmental progress through the same infrastructure that underpins its business. Expanding flare gas capture, improving system efficiency and increasing the productive use of energy across the network are helping drive results across operations.

Gas-to-power electrification, waste heat recovery, proactive maintenance, real-time monitoring and process optimization each play a role in lowering emissions, strengthening performance and supporting a more efficient energy system.

Our path forward is intentional – each step aligned to our foundation of flare gas capture, building-off each other, reinforcing the next, to grow the right way for the long-term.



OUR EMISSIONS



Scope 1 emissions decreased as a result of less flaring at North Portal, Nottingham and Rapdan. Nottingham reduced flaring by incorporating high nitrogen gas as a fuel source instead of a flared waste stream. Rapdan flaring issues in 2024 were solved with replacement amine contactor trays to reduce flaring in 2025.

Scope 2 emissions decrease primarily due to the implementation of our combine heat and power turbines at SEEP and Viewfield Facilities. The SEEP engines have also been electrified to promote operational efficiency at the site to continue to have reduced scope 2 emissions. Steel Reef will continue to see reductions with scope 2 emissions with our future combined heat and power projects.

At Steel Reef, environmental performance is created through the infrastructure we own and operate.

Steel Reef's environmental impact starts with the practical application of infrastructure: capturing resources, improving efficiency and supporting reliable energy development across our North American platform.



Turning Environmental Challenges into Practical Solutions

Resource Recovery

Capturing associated gas and hydrocarbons that may otherwise be flared or underutilized.

Operational Efficiency

Improving reliability, reducing waste and supporting lower-emissions operations through disciplined asset management.

Practical Power Solutions

Developing infrastructure and power solutions that support reliability, efficiency and long-term environmental performance.

EMPLOYEE VOICE

> Power generation is a natural extension of what Steel Reef already does well: capturing gas, operating reliably and finding practical ways to meet energy demand.

Lee Emms, Senior Facilities Engineer

PROJECT

Bison Offload Project



The Bison Offload Project adds critical interconnective infrastructure that will improve the movement of volumes from the Bison Gathering System across the Canada–U.S. border and into Steel Reef's southeast Saskatchewan network. By enhancing cross-border connectivity and increasing system flexibility, the project supports more efficient volume management across the platform and helps put captured gas to productive use. **The Project came online in January 2026 following two years of planning and construction.**

PROJECT

Lignite Gas Plant Integration



The Lignite Gas Plant integration improves how volumes are directed to North Portal and **removes dated equipment** from service, enhancing plant safety, reliability and operational efficiency. The Integration reflects Steel Reef's focus on practical infrastructure improvements that strengthen system performance while supporting more efficient use of existing energy resources. **The Integration came online in January 2025 and, like the Bison Offload Project, improved the northbound movement of gas.**

PROJECT

Steelman Debutanizer Project



Work underway on the Steelman Debutanizer Project represents another strategic investment in Steel Reef's integrated service offering. By expanding operating capabilities in a key area, the project is designed to support evolving customer demand, improve service flexibility and strengthen the company's position within its broader infrastructure network. It also **reinforces Steel Reef's approach to building infrastructure that delivers both commercial value and sustainable growth.**

PROJECT

Advancement of the Company's long-term power and infrastructure strategy continued throughout the year.



Advancement of the company's power and infrastructure strategy continued throughout the year. Steel Reef progressed work related to its Power Purchase Agreements across multiple facilities and positioned itself to support growing demand for reliable and carbon-efficient energy. These efforts reinforce our role as an infrastructure partner capable of delivering integrated solutions that support long-term value creation.



EMPLOYEE VOICE

"The strategy becomes real when every team can see how their work supports safe operations, customer service and growth."

Stephanie Banh, Risk Analyst

Flare Gas to Power

~$320MM

Committed to date

People + Partners

The strength of Steel Reef starts with the people behind the business and the partners alongside it.

The people shape how we operate, how we solve problems and how we continue building a business that is resilient, disciplined and positioned for the long-term.

Across the company, we are focused on fostering a high-performing culture where accountability, collaboration and adaptability matter. By investing in our people and working closely with trusted partners, we continue to strengthen the capabilities, relationships and shared commitment that move the business forward.

2025 Highlights

220
Total employees

15
New positions created

42%
Women among corporate employees

24%
Women in management roles

RELEVANT SDGS



Workforce growth and development supported long-term business resilience



Employee Attraction, Development + Engagement

Our people's potential is the foundation of our competitive advantage.

We power it through continuous development, collaboration and a culture of excellence.



Safety First

Strong safety practices protect our people today and our business tomorrow.



Stakeholder Focus

We engage employees as partners in delivering outcomes that matter to customers, communities and investors.



Performance Oriented

Everyone plays a role in driving performance and success is a shared responsibility.



Ability to Execute

Our track record is grounded in discipline, experience and accountability.

SPARKchat

Commitment from senior leadership team to host **Fireside SPARKChats** in the field and at the corporate office at least 1-2 times per year.

STEEL REEF TOWN HALL Powering potential

Full company-wide town halls at minimum 2 times per year.

STEEL REEF QUARTERLY update

To align with quarterly updates, employees receive an electronic update that provides further context and colour about the quarter and any relevant updates happening within the organization.

R+ AWARDS

R+ Awards

The **R+ Program** allows leaders to recognize behaviours and actions of employees.

5 YEARS

Service Awards

Every five years, Steel Reef celebrates employees' years of service.

Community Impact + Partners

Steel Reef's connection to the communities where we operate extends beyond infrastructure. It is reflected in how our people show up, contribute and build relationships over time.

Through volunteering and support for local charities and community-led programs, our team continues to make a meaningful contribution in the places connected to our business.

>70
Organizations Supported

300 hours
Community Volunteer Time

~$170,000
Community Contributions

FOCUS FEATURE

Enhancing the Energy Community Bursary

Steel Reef's support for the Enhancing the Energy Community Bursary reflects a broader commitment to strengthening communities through education, skills development and access to opportunity. In 2026, the bursary supported Southeast College students enrolled in electrician, welding, heavy equipment and power engineering programs.

> **With your support, 18 students recently received $21,000 in financial aid, but they're more than just dollars. Your contribution to our bursary program impacts all areas of life for students as they continue pursuing the education that will help them succeed in the workforce.**

Sophie Engel, Coordinator, Marketing and Communications, Southeast College



FOCUS FEATURE

Redvers Fire and Rescue



Steel Reef supported community safety in Redvers, including a donation toward the installation of a publicly accessible AED to help strengthen emergency response capacity in the town.

Redvers Fire and Rescue is a volunteer department that serves the Town of Redvers and surrounding area 24/7, with members who train regularly and respond to a wide range of emergency situations.

Beyond emergency response, the department plays an active role in community life through safety education, local events and public outreach that help build a safer and more connected community.

FOCUS FEATURE

SWCDS



Founded in 2016, SWCDS Inc. helps residents in southwest Saskatchewan manage the added costs of chronic and acute illness, including travel, meals and accommodation required to access specialist care. **Steel Reef's ongoing support as a Gold Sponsor helped the organization assist 85 applicants in 2025, with $36,000 distributed based on income and medical need.**

> "The best community investments are the ones that reflect where our employees live, work and volunteer.
>
> **Wade Grimes**, Lead Operator, Viewfield

FOCUS FEATURE

Made by Momma



To mark International Women's Day, Steel Reef supported Made by Momma through a volunteer group cook focused on helping families facing crisis. The initiative reflected both the spirit of this year's theme, "Give to Gain," and Steel Reef's commitment to supporting community organizations that make a meaningful difference.

Our Industry Association Partnerships

By engaging with key external associations, we stay informed, collaborate and help drive progress.

SASKATCHEWAN CHAMBER OF COMMERCE
SIECA COMMUNICATIONS & REPORTS
Canadian Propane Association / Association canadienne du propane
NORTH DAKOTA PETROLEUM COUNCIL
Emergency Response Assistance Canada
SESAA Southeast Saskatchewan Airshed Association

Operational Foundations + Performance

Built on reliability. Driven by performance.

Steel Reef's long-term performance starts with strong operational foundations. Across the business, the focus remains on safe, reliable and efficient operations that support customers today while positioning the company for long-term success.

This includes a continued commitment to asset integrity and damage prevention. By protecting pipeline infrastructure and reinforcing safe operating practices, Steel Reef helps safeguard both its system and the communities connected to it.

2025 Highlights

0.94
Total Recordable Incident Frequency (TRIF)

0 Tier 1
process safety incidents in our facilities

0
significant pipeline failures

131
Employees involved in ERP drills, totaling 1,138 HSE training hours

RELEVANT SDGS



98%
plant reliability



Safety

Operational excellence at Steel Reef is defined by the discipline to improve, the focus to execute well and the ability to adapt as the business evolves. By strengthening the systems and processes that support our operations, we continue to improve reliability, efficiency and overall performance, while keeping safety at the core.

EMPLOYEE VOICE

> Reliability is built through routine discipline: the inspections, drills, maintenance and conversations that happen before there is an issue.

Jesse Kenler,
Operations Excellence Specialist

FOCUS FEATURE

Health, Safety and Environment training



Training remains a critical part of Steel Reef's approach to health, safety and environmental performance. Over the past year, employees completed 1,138 total HSE training hours, reinforcing the knowledge and readiness needed to support safe, reliable operations. This ongoing investment helps strengthen day-to-day decision-making, maintain high standards across the business and support a strong safety culture. It also reflects Steel Reef's commitment to equipping its people with the tools and training needed to perform their work responsibly and effectively.

131
number of employees involved in ERP Drills

1,138
total HSE Training hours

FOCUS FEATURE

HERO$ Awards



The 2025 HERO$ Awards recognized the people whose dedication, leadership and day-to-day actions continue to strengthen Steel Reef across the organization. With more than 250 nominations submitted from across the company, the program reflected the depth of teamwork, commitment and impact shown by employees every day. Each nomination offered a clear reminder that Steel Reef's success is built not only through strategy and execution, but through people who consistently go above and beyond.

The HERO$ Awards continue to celebrate the values that define the business: Health and Safety, Effectiveness and Efficiency, Reliability, One Team and Value Added.

Asset Integrity

Safe, reliable operations depend on strong systems, disciplined execution and a clear understanding of risk. Across Steel Reef's pipeline network, asset integrity is supported through ongoing monitoring, advanced technologies and a continued focus on prevention.



With approximately 2,900 km of pipeline inventory and no significant reportable incidents, Steel Reef remains focused on maintaining the integrity and resilience of its assets. By investing in inherently safer designs and operational readiness, the company strengthens reliability across the system and helps protect customers, communities and the environment.

Strategy + Governance

Strong governance provides the structure for disciplined decision-making, responsible business conduct and long-term value creation at Steel Reef. It helps ensure the company's strategic priorities, risk management approach and operational performance remains aligned as the business evolves.



Board Oversight

Board oversight is an important part of how Steel Reef approaches sustainability across the business. Through regular review by the Health, Safety, Environmental & Operations Committee and the Audit & Enterprise Risk Management Committee, the company evaluates sustainability-related risks and opportunities, monitors performance and considers emerging issues, regulatory developments and future business implications within its broader governance framework.

Our Approach to Sustainable Reporting

Scope

This report builds upon the initial Environmental, Social and Governance (ESG) Report released in 2020 by Steel Reef Infrastructure Corporation and its wholly owned subsidiaries (referred to as "Steel Reef" or the "Company"). The ESG Advisory Committee, composed of management, has prepared this report, which has been thoroughly reviewed and approved by the Board of Directors of Steel Reef on August 20, 2026.

The report encompasses information pertaining to our operations and teams located in Saskatchewan, Alberta, North Dakota, and Denver during the calendar year of 2024, unless stated otherwise. Additionally, certain references are made to ESG developments in 2025.

Verification

The data and information included in this report has been subject to an extensive internal evaluation process, including review by management.

Steel Reef operates assets in jurisdictions that are highly regulated and are subject to robust reporting obligations.

A third party completed a reasonable assurance verification of Steel Reef's 2024 Canadian Scope 1 combustion and flaring emissions. The review was aligned with the ISO 14064-3 and ISO 14065 verification standards.

Steel Reef has previously conducted a third-party limited assurance assessment.

Reporting Frameworks

We developed this ESG report in alignment with SASB's Oil and Gas Midstream Sustainability Accounting Standards and Oil and Gas Exploration and Production Sustainability Accounting Standard, and growing alignment with GRI standards, the GHG Protocol and the TCFD.

For More Information

Investors can request Steel Reef's financial statements, Management's Discussion and Analysis and Management Information Circular by emailing info@steelreef.ca.

Published on September 9, 2026.
Design: ARTHUR/HUNTER

Your Feedback

Steel Reef wants to hear from you.

We invite you to provide feedback on this report or any aspect of our performance.

Please email us at info@steelreef.ca.



Forward Looking Information

The ESG Report from Steel Reef Infrastructure Corp., ("Steel Reef" or the "Company") contains certain statements and information that are forward-looking statements or information within the meaning of applicable securities legislation, and which are collectively referred to herein as "forward-looking statements." The use of the words "anticipates", "believe", "continue", "estimate", "expect", "forecast", "intend", "may", "objective", "ongoing", "project", "plan", "should", "will" and similar expressions are intended to identify forward-looking information or statements. Statements that contain such words are only predictions and the actual results or outcomes may differ. In particular, the forward- looking statements in the ESG Report include, but are not limited to: the Company's plans, targets and strategies to continue and improve upon it's greenhouse gas emissions and air emissions reduction; climate-related transition risks and subsequent opportunities; overall environmental management; plans to strengthen relationships and engagement with its' stakeholders, including our First Nations and Indigenous relations; reporting, monitoring and management systems to enhance and improve on operational excellence and asset integrity; health and safety performance; and its' community engagement and investment. Readers are cautioned not to place undue reliance on the forward-looking statements, as there can be no assurance that the plans, intentions, or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, as well as known and unknown risks and uncertainties, both general to the industry as a whole and specific to the Company and its proposed projects and strategies, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and which may cause the Company's actual performance to differ materially from any estimates or projections of future performance or results expressed or implied by the forward- looking statements contained herein. These assumptions, risks and uncertainties include, among other things: Steel Reef's ability to successfully implement strategic initiatives and whether such initiatives yield the expected benefits and results; fluctuations in the supply and demand for natural gas, NGLs and crude oil; commodity prices; activities of producers, competitors and others; the weather; assumptions around construction schedules and costs, including the availability and cost of materials and service providers; fluctuations in currency and interest rates; credit risks; marketing margins; disruption or unexpected technical difficulties in developing new facilities or projects; availability of capital; availability of various technologies; optimization efforts; access to skilled individuals; changes in laws or regulations or the interpretations of such laws or regulations; political and economic conditions; and other risks and uncertainties described from time to time in Steel Reef's management discussion and analysis. Readers are cautioned that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this document are made as of the date of this document or the dates specifically referenced herein and unless expressly required by law the Company does not undertake to update or to revise this document or any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise. All forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Our Operations

STEELREEF

Powering potential

Calgary Office
Suite 1600, 333 7th Avenue SW
Calgary, AB T2P 2Z1

Learn more: **steelreef.ca**

MIX
Paper | Supporting responsible forestry
FSC® C020157